

The Hon. Robert S. Lasnik

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

GREGORY L. SMITH,

Defendant

NO. CR17-218-RSL

**SECOND AMENDED
FINAL ORDER OF FORFEITURE**

THIS MATTER comes before the Court on the United States' Motion for Entry of
a Second Amended Final Order of Forfeiture for the following property:

a. The following property, seized on or about August 13, 2017, from the
premises of 12555 27th Avenue NW, Seattle, Washington:

1. Approximately \$28,878 in U.S. currency;
2. Approximately \$6,873 in U.S. currency;

b. The following property seized on or about August 13, 2017, in SeaTac,
Washington from the Defendant:

1. Approximately \$5,000 in U.S. currency;
2. Approximately \$1,698 in U.S. currency;

c. The following property, seized on or about August 14, 2017, from the Defendant's residence, located at 10090 Des Moines Memorial Drive South, Seattle, Washington:

1. One Target Patriot .327 Magnum caliber revolver, with serial number 85768;
2. One Arminus HW3 Revolver, with serial number 74768;
3. One Taurus .357 Magnum caliber revolver, with serial number NK 162356;
4. One Jiminez Arms 9mm caliber pistol, with serial number 204855;
5. One Taurus PT 1911 .45 caliber pistol, with serial number NGM94882;
6. One Sig Sauer P320 pistol, with serial number 58B205003;
7. One Smith & Wesson .44 Magnum caliber revolver, with serial number AWU4914;
8. One F.LLI Pietta revolver, with serial number PK123420;
9. One Mod RG26 .25 caliber pistol, with serial number U105649;
10. One Walther PK380 pistol, with serial number PK018647;
11. One New Frontier LN-15 rifle, with serial number NLV58417;
12. One Knight Black Powder rifle .50 caliber, with serial number 431361;
13. One Ruger .22 caliber rifle, with serial number 351-00955;
14. One Norinco SKS rifle, with serial number 824;
15. One Mossberg Model 88 12-gauge shotgun, with serial number MV51206S;
16. One Extar EXP556 rifle, with serial number EP06637;
17. One Ruger SP101 .357 Magnum caliber revolver, with serial number 576-57384;

18. Approximately \$773,524.36 in U.S. currency;
19. One 50 gram Suisse fine gold bar inscribed with “07233”;
20. One 1 troy ounce fine gold bar inscribed with skull & bones image;
21. One 2 troy ounce gold bar inscribed with skull & bones image;
22. One 1 ounce Suisse fine gold bar inscribed with “B280405”;
23. One 1 ounce Suisse fine gold bar inscribed with “C032089”;
24. One 1 ounce Suisse fine gold bar inscribed with “C082464”;
25. One 1 ounce Suisse fine gold bar inscribed with “C018515”;
26. One 1 ounce Suisse fine gold bar inscribed with “C0105975”;
27. One 1 ounce Suisse fine gold bar inscribed with “C133456”;
28. One 1 ounce Suisse fine gold bar inscribed with “C148136”;
29. One 1 ounce Suisse fine gold bar inscribed with “C160340”;
30. One 2.5 gram Goldgram IGR gold bar inscribed with “B042077”;
31. One 2.5 gram Goldgram IGR gold bar inscribed with “U54064”;
32. One 5 gram fine gold bar inscribed with “No. 37605”;
33. One 1 ounce Perth Mint Australia fine gold bar;
34. One 1 ounce Valcambi Suisse fine gold bar inscribed with
“AA281672”;
35. One 1 ounce Valcambi Suisse fine gold bar inscribed with
“AA243558”;
36. Two 1 ounce Sunshine Minting fine gold bars;
37. One 1 ounce fine gold bar inscribed with “ebay”;
38. One 1 kilo fine silver bar inscribed with “D1072167”;
39. One 1 kilo fine silver bar inscribed with “D1072192”;
40. One 1 kilo fine silver bar inscribed with “D1081257”;
41. Six 5 troy ounce Apmex fine silver bars;
42. One 10 troy ounce SilverTowne fine silver bar;

43. One 10 ounce fine silver bar inscribed with “Reserve Scottsdale”;
44. One 1 Kilo Republic Metals Corp. fine silver bar;
45. One 10 ounce Johnson Matthey fine silver bar inscribed with
“R6160”;
46. One 1 Kilo RMC Republic Metals fine silver bar inscribed with
“D1057916”
47. One 5 troy ounce silver bar inscribed with “Pan American Silver
Corp.”;
48. One 10 troy ounce fine silver bar inscribed with “Proclaim Liberty”;
49. One 2016 China Gold Panda 500 Yuan 30 grams gold coin;
50. One 1/10 ounce Chinese Panda 50 Yuan gold coin;
51. One 1/4 ounce Chinese Panda 100 Yuan gold coin;
52. One 1/2 Chinese Panda 200 Yuan gold coin;
53. One 1/20 ounce Chinese Panda 20 Yuan gold coin;
54. One 2016 50 dollar gold Buffalo coin;
55. One American Gold Eagle 1/2 ounce fine gold coin;

d. The following property, seized on or about August 15, 2017, from storage unit number L051, located at 10020 Martin Luther King Way South in Seattle, Washington:

1. Approximately \$50,000 in U.S. currency;
2. One Glenfield Mod 25 .22 Caliber rifle, with serial number
72412279;
3. Assorted ballistic body armor plates;

e. The following property, seized on or about August 18, 2017, from a safe deposit box located at 600 Pine Street in Seattle, Washington:

1. Approximately \$34,700 in U.S. currency;

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- 1 f. The following property, seized on or about January 24, 2018:
- 2 1. Approximately \$7,535.35 in U.S. funds seized from Acorns
- 3 investment account ending in 3606, held in the name of Gregory
- 4 Smith;
- 5 2. Approximately \$10,014.83 in U.S. funds seized from a Stash
- 6 Investments account held in the name of Gregory Smith;
- 7 3. Approximately \$9,337.63 in U.S. funds seized from State Farm
- 8 Investment Account ending in 1217, held in the name of Gregory
- 9 Smith;
- 10 4. Approximately \$2,106.17 in U.S. funds seized from TD Ameritrade
- 11 account number ending in 9701, held in the name of Gregory Lynn
- 12 Smith;
- 13 5. Approximately \$1,625.87 in U.S. funds seized from Charles Schwab
- 14 account number ending in 2478, held in the name of Gregory Lynn
- 15 Smith;
- 16 6. Approximately \$1,810.97 in U.S. funds seized from Charles Schwab
- 17 account number ending in 2159, held in the name of Gregory Lynn
- 18 Smith;
- 19 7. Approximately \$239 in U.S. funds seized from PayPal account
- 20 number ending in 8362 held in the name of Greg Smith;
- 21 8. Approximately 1.81667391 bitcoins (“BTC”), seized from a
- 22 Coinbase wallet held in the name of Gregory Smith;
- 23 9. Approximately 1.51433523 units of bitcoin cash (“BCH”), seized
- 24 from a Coin base wallet held in the name of Gregory Smith;
- 25 10. Approximately 36.87098378 units of Ethereum (“ETH”), seized
- 26 from a Coin base wallet held in the name of Gregory Smith;
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11. Approximately 96.42195615 litecoins, seized from a Coinbase wallet held in the name of Gregory Smith;
12. Approximately 4.52972227 BCH seized from a Bread wallet belonging to Gregory Smith that was accessible via an Apple iPhone belonging to Smith, associated with the telephone number (XXX) XXX-XX17 (“Smith’s iPhone”), and any derivative units of virtual currency, including but not limited to approximately 4.5297227 units of Bitcoin Satoshi Vision (“Bitcoin SV”);
13. Approximately 0.91872488 ETH, seized from a Blockchain wallet belonging to Gregory Smith that was accessible via Smith’s iPhone;
14. Approximately 0.91995441 BCH seized from a Blockchain wallet belonging to Gregory Smith that was accessible via Smith’s iPhone; and
15. Approximately 0.91977609 units of Bitcoin Gold seized from a Blockchain wallet belonging to Gregory Smith that was accessible via Smith’s iPhone.

The Court, having reviewed the United States’ motion, as well as the other pleadings and papers filed in this matter, HEREBY FINDS that entry of a Second Amended Final Order of Forfeiture amending the description of one item of property in the Amended Final Order of Forfeiture and incorporating a separate Final Order of Forfeiture is justified under Federal Rules of Civil Procedure (“Fed. R. Civ. P.”) 60(a), 60(b)(1) and (b)(6), and Federal Rules of Criminal Procedure (“Fed. R. Crim. P.”) 32.2(e) and 36 for the following reasons:

- On April 17, 2019, the Court entered a Final Order of Forfeiture, which included a description of Bitcoin Cash (“BCH”) seized from a Bread wallet as: “Approximately 4.52972227 BCH seized from a Bread wallet belonging

1 to Gregory Smith that was accessible via an Apple iPhone belonging to
 2 Smith, associated with the telephone number (XXX) XXX-XX17 (“Smith’s
 3 iPhone”).” *See* Dkt. No. 109.

- 4 • On June 17, 2019, the Court entered an Amended Final Order of Forfeiture,
 5 removing body armor identified in the Final Order of Forfeiture. *See* Dkt.
 6 No. 111.
- 7 • On November 1, 2019, the Court entered a separate Final Order of
 8 Forfeiture, forfeiting the body armor. *See* Dkt. No. 114.
- 9 • After entry of the Amended Final Order of Forfeiture, the United States
 10 informed the Court that the description of this property in the Amended
 11 Final Order of Forfeiture does not specifically include derivative Bitcoin
 12 Satoshi Vision (“Bitcoin SV”) cryptocurrency created from the forfeited
 13 BCH as a result of a blockchain split, or “fork,” on November 18, 2018,
 14 and it seeks a Second Amended Final Order of Forfeiture amending the
 15 description to include the derivative Bitcoin SV.
- 16 • The United States Marshals Service liquidated the approximately
 17 4.52972227 BCH seized from the Bread wallet described above in February
 18 2021 and received an equal number of Bitcoin SV at that time.
- 19 • The United States Marshals Service is, however, unable to liquidate the
 20 derivative Bitcoin SV because it is not specifically included in the
 21 description of the BCH seized from the Bread wallet in the Amended Final
 22 Order of Forfeiture.
- 23 • The United States has informed the Court that it did not become aware of
 24 the derivative Bitcoin SV until after entry of the Amended Final Order of
 25 Forfeiture and that the omission of the Bitcoin SV from the description of
 26 the BCH seized from the Bread wallet was inadvertent. The Court finds
 27 these representations to be credible.

- 1 • The United States also seeks to incorporate the body armor forfeited in the
- 2 separate Final Order of Forfeiture, Dkt. No. 114, into the Second Amended
- 3 Final Order of Forfeiture.
- 4 • Amending the Amended Final Order of Forfeiture is justified under the
- 5 following authorities:
- 6 a. Under Fed. R. Crim. P. 36 and Fed. R. Civ. P. 60(a), which provide
- 7 that a Court may at any time correct a clerical error in a judgment,
- 8 order, or other part of the record, or correct an error in the record
- 9 arising from oversight or omission;
- 10 b. Under Fed. R. Civ. Procedure 60(b)(1) and (b)(6), which provide
- 11 that a Court may amend a final order due to mistake, inadvertence,
- 12 surprise, excusable neglect, and for any other reason that justifies
- 13 relief; and
- 14 c. Under Fed. R. Civ. P. 32.2(e), which provides that a Court may
- 15 amend an existing Order of Forfeiture to include property that is
- 16 subject to forfeiture under the existing Order but was located and
- 17 identified after the Order was entered.
- 18 • The Court also finds it is appropriate to include the body armor forfeited in
- 19 Dkt. No. 114 in this Second Amended Final Order of Forfeiture to address
- 20 all property forfeited in this matter in one Order of Forfeiture.
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22 NOW, THEREFORE, THE COURT ORDERS:

- 23 1. No right, title, or interest in the above-listed property exists in any party
- 24 other than the United States;
- 25 2. The property is fully and finally condemned and forfeited, in its entirety, to
- 26 the United States;

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